



2003 LEGISLATIVE REPORT

8th Legislative District Update from

Senator Patricia S. Hale

Dear friends:

I hope you are all enjoying this beautiful Tri-Cities summer as much as I am. It's wonderful to be back home to share this legislative update with you.

Even before we headed to Olympia last January, lawmakers recognized that we were facing one of the most challenging sessions in state history. With a \$2.6 billion budget deficit, a faltering state economy and record unemployment levels, we knew the decisions we made would have a profound impact on Washington's future.

With the change of leadership in the Senate, a common sense philosophy prevailed. When illness reduced our razor-slim 25-24 majority in the Senate, we forged philosophical majorities to advance our agenda. Working together, we were able to achieve many of our goals.

Under difficult circumstances, I believe we produced an amazing record of wins for the people of our state. It wasn't easy to say "no" to raises for workers who deserve them; to reduce or eliminate worthwhile programs; or to walk away from needs we simply couldn't fill.

But the good things we were able to do far outweighed the negatives. We found a way to preserve needed funding for our most vulnerable citizens. We increased enrollments at our colleges and universities. We passed the "Gardner-Evans" bill, which will help our colleges and universities prepare for the huge influx of students expected in 2008.

Most of the significant legislation was approved by the Senate with a solid bipartisan vote. Unfortunately, philosophical differences with the leadership in the House of Representatives left us with some unfinished business to address next year.

We will tackle these issues with the same single-minded approach that worked so well this year.

Inside I'll share greater details about our work this session. Please, pour yourself a cool drink and take a few minutes to review this legislative update. And, as always, feel free to give me a call if you have any questions or concerns. I'd love to hear from you.

Sincerely,

A stylized, handwritten signature in dark ink, appearing to read "Pat".

Senator Patricia S. Hale
Majority Caucus Chair

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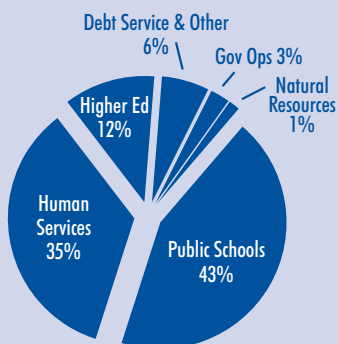
"It is the paramount duty of the state to make ample provision for the education of all children residing within its borders..." Article IX, Section 1, Washington State Constitution.

The Legislature has been criticized for failing to fund the education system at the levels expected. While we were not able to provide the additional dollars requested, **WE DID NOT CUT FUNDING** for K-12. Instead, we actually increased education funding by 2.2 percent – or \$216 million for the biennium.

Clearly, all legislators — Republicans and Democrats — respect and admire the work our teachers do in the classroom. We would like to have given them all the raises they wanted. We simply did not have the \$1 billion needed to fully fund the education initiatives (I-728 and I-732).

Despite it all, we were able to increase salaries for beginning teachers – those in their first seven years in the classroom. As a result, no teacher will earn less than \$30,000 per year. We also increased funding for class size reductions from the governor's proposed level of \$212 per pupil to \$254 per pupil. Education still receives the largest share of the state's general fund budget. During these difficult times, I am proud of our Tri-City area teachers, many of whom have contacted me to voice their support for the tough budget decisions we needed to make this year.

2003-05 Budget



No-new-taxes budget

Last fall, after Republicans took control of the state Senate and I was elected majority caucus chair, the state's Revenue Forecast Council delivered the bad news that Washington was facing a \$2.6 billion budget shortfall. Many people worried that we'd either have to pass a massive tax increase or resort to draconian cuts to public services and schools.

Now, roughly six months later, the Legislature has accomplished what everyone said could not be done: We've balanced the state budget without raising taxes or eliminating vital services for our most vulnerable citizens such as the developmentally disabled or mentally ill. While sacrifices were made in all areas of the budget, I'm proud to say we were able to:

- Leave roughly \$250 million in reserves for future downturns;
- Raise beginning teacher salaries so no teacher will make less than \$30,000 by the end of the 2004 biennium;
- Increase funding for class size reduction from \$212 to \$254 per student and increase total per-pupil spending from \$5,367 per year to \$5,469;
- Provide 400 new enrollments in four-year colleges for community college transfer students;
- Add \$7.5 million for the two-year high-demand pool for worker retraining;
- Grant additional funding to the Washington State University Veterinary School, the Vancouver Engineering and Science program, Central Washington University enrollment recovery and the Wine Industry Educational Partnership;
- Give all home health care workers a 75-cent-an-hour pay increase in October 2003;
- Restore proposed reductions in Medicaid for kids and restructure funding for prenatal care for undocumented pregnant women; and
- Retain funding for the most vulnerable citizens, including:
 - Programs for people with developmental disabilities and mental illnesses;
 - Adult vision and hearing assistance programs;
 - Nursing home quality maintenance fees; and
 - Troubled youth services.

Other states are making deep cuts in services, raising taxes and even cutting their school years short. This budget protects the most vulnerable in our society without raising taxes, setting us on the road to economic recovery by making Washington more competitive and allowing families to keep more of their hard-earned money.



Members of the Washington Council of Police and Sheriffs present Sen. Hale with their Legislator of the Year award. (left to right: Jon Wiseman, formerly with Richland police department; Joe Lusignea, with Benton County Sheriff's Office; Sen. Pat Hale; Jack Simington, with Kennewick police department.)

Capital investments

The state's \$2.6 billion capital construction budget creates thousands of jobs and invests extensively in the state's higher education system.

Tri-Cities Capital Budget Projects:

- \$1.5 million for Washington State University (WSU)-Prosser multi-purpose building;
- \$900,000 for WSU-Tri-Cities bioproducts and sciences building;
- \$1.8 million to increase the size of entering classes for the WSU Veterinary School;
- \$1 million in funding for the Washington Wine Industry Educational Partnership;
- \$51,000 for the Richland Players Theatre;
- \$25,011 for Benton Affordable Housing;
- \$3.828 million for Rattlesnake Mountain critical habitat;
- \$300,000 for Highlands Grange Park improvements;
- \$100,000 for Zintel Canyon Greenway;
- \$97,728 for Benton City Skate Park; and
- \$60,000 for the Prosser Skate Park.

Getting Washington moving again:

The Legislature approved a 5-cent-per-gallon gas tax increase that will fund roughly 97 projects in the 36 counties outside the Central Puget Sound area. The transportation package puts the 5-cents-per-gallon increase into a "Nickel Fund" to only be used for roads. This funds the selected projects all the way to completion and it goes away once the bonds on the projects are paid off. We estimate this will cost the average driver only about \$30 per year.

Tri-Cities "Nickel Fund" Projects:

- \$57.2 million to add new lanes on SR 240 between Richland and Kennewick, improving traffic flow and reducing congestion between the Hanford site, the Columbia Center commercial areas and East Kennewick industrial zones.
- \$6 million to complete a rail/grade separation project on Columbia Boulevard in Kennewick. This means immediate jobs because Kennewick has already laid the groundwork so this project can go to construction right away.
- \$375,000 for a new variable message sign on US 395 in Kennewick to help improve safety.
- \$35.5 million to add a new lane each way on Hwy. 12 to improve travel between the Tri-Cities and Walla Walla.

Business climate & Boeing

The top priority for the Senate Republicans this year was improving our economy and getting people back to work. Unfortunately, it wasn't until Boeing opened up bids for production of its new 7E7 Dreamliner that the rest of the Legislature and the Governor took our efforts seriously.

Winning the 7E7 bid is important to our entire state. The new focus on Moses Lake as a potential production site means additional economic opportunities in the Tri-Cities as the company would rely on our deep-water port and rail lines to transport products to the site.

The efforts in Olympia to make Washington a more attractive place for Boeing to do business will benefit businesses all across the state. Most importantly, we achieved major unemployment insurance reform this session. We also started work to reform our workers' compensation program to avoid the double-digit increases employers and employees have been facing. More comprehensive reforms will be on our agenda for the 2004 session.

Regulatory reform

As Washington's only representative on the Small Business Administration's National Advisory Council, I proposed several regulatory reform measures this session. A requirement that businesses receive 200 days' notice of any significant rules that would impact them was included in another bill and signed into law.

Two others were passed by the Senate but died in the House of Representatives:

A requirement that significant new rules sit through one legislative session so the Legislature could determine whether or not the rule met the policy intended; and

A requirement that the Legislature approve any significant new rule that goes beyond federal standards.

The SBA works with federal agencies to reduce the regulatory burden on businesses all across our country. I'm hopeful that we can replicate this effort at the state level.

Prescription drugs

Seniors are estimated to spend an average of \$2,150 per year for prescription drugs—and the high cost is not limited only to seniors. It drives up the cost of health care for everyone. This session, we fought for a special prescription drug program within Medicaid for low-income seniors and people with disabilities. This new law also:

- Creates a prescription drug discount program for people age 50 or older or disabled with higher incomes (300 percent of the poverty level) who don't have prescription drug coverage;
- Requires pharmacists to substitute preferred, less costly drugs unless a doctor specifically directs otherwise;
- Establishes a pharmacy connection program to help people enroll in

discount programs provided by drug manufacturers; and

- Creates drug education and training programs to help people use prescription drugs in the safest manner possible.

Ultimately, prescription drug reform will have to come from the federal level. For now, we've done the best we can at the state level to help reduce the burden of costly medications.



Keep in touch:

I enjoy hearing from the local families, businesses, and individuals of the 8th Legislative District. Please feel free to contact me with your questions or ideas throughout the year.

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